



**World Agricultural Outlook Board (WAOB)
Office of the Chief Economist, USDA**

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Recent Developments

Forecasting Activities

In May 2002, reporting of European Union (EU-15) grain exports and imports in the WASDE report was revised to exclude trade between EU member nations. Historical supply and use estimates for the EU-15 and the world were revised to reflect this change.

Thus far in 2002/03, wheat markets have been turbulent as world production prospects change rapidly. USDA was among the earliest to forecast large EU wheat production, and subsequently tracked deteriorating prospects in the western and southern hemispheres. Most notable were early warnings of foreign crop impacts provided for drought and its impact on grains and oilseeds in Canada, wheat and barley in Australia, and cotton, grains, and oilseeds in India.

Over the past year, WAOB meteorologists kept agricultural analysts, decision-makers, and the press informed about potentially crop-damaging weather events in the United States and around the globe. In the United States, special assessments included the Deep South cold outbreak of January 3-9, the Eastern drought, periodic freezes in the Southeast (January-March), the April freeze in the Great Lakes states, and the impact of heavy rains from Tropical Storm Isidore and heavy winds from Hurricane Lili on Delta crops.

Agricultural Weather Summary

A national summary of agricultural weather impacts is posted each weekday morning at <http://www.usda.gov/agency/oce/waob/jawf>. This site also links to the weekly *U.S. Drought Monitor*, jointly produced by USDA, the National Weather Service, and the National Drought Mitigation Center.

Strengthening the Commodity Forecasting Program

WAOB is coordinating actions by USDA agencies (OCE, ERS, FAS, AMS) to strengthen the Department's commodity forecasting program.

A second annual forum for interagency commodity estimates committees, held recently, was attended by 125 USDA analysts and invited guests from the Congress, the private sector and academia. Non-government participants included: Mark Lange, National Cotton Council; Bob Yonkers, International Dairy foods Association; Nancy Devore, Bellingham Commodity Trade Analysis, Inc.; Brad Anderson, Sparks Companies, Inc.; and, Ron Plain, University of Missouri.

This year's Forum highlighted FAS contributions to the ICEC process. FAS agricultural counselors from Mexico, the European Union, and Argentina (by audio/visual teleconference) presented their views on reporting from abroad relative to the ICEC process. The Forum provided the basis for a new set of interagency priorities which, as in the first Forum, are designed to assure that users of USDA's situation and outlook reports continue to receive high quality information in a timely manner using the most efficient information sharing, knowledge management, and communication techniques available.

As a followup from the first Forum, monthly teleconferences are taking place between USDA and university extension personnel relating to the grains and hog sectors. Ensuing dialogue and critiques have broadened the analytical perspective of participants.

Trade Statistics Database

WAOB, ERS, and FAS are working together on improving USDA trade statistics. New HTS commodity codes for 2002 were incorporated into the trade database and Census Bureau annual revisions were correctly applied. The team is working with USDA analysts and the Census Bureau to further reduce data discrepancies.

FAS has launched internet access to the trade database. The public can now access agricultural trade data in the FATUS, BICO, FAS, and HTS formats at <http://www.fas.usda.gov/data.html>. During the past 9 months, 160,000 reports were requested from the system.

Commodity Market Information System

USDA has submitted a \$3.2 million budget initiative in the fiscal year 2003 budget proposal to develop a commodity market information system web portal. We will not know the outcome of the initiative funding until Congress has acted on the FY-03 appropriations for USDA. Our vision for this website is to provide users of commodity market information with a one-stop source of data, forecasts, and information now available separately from AMS, ERS, FSA, FAS, NASS and the WAOB. The website would reflect what we know is technologically feasible in terms of queries, searches, and presentation of information. It would also assure users access to the most up-to-date and official USDA commodity market information.

To be ready to use initiative funds effectively, or in the event funding does not materialize to strengthen the case for additional funding for the future, WAOB has contracted with **Booz-Allen & Hamilton, Inc.** to help develop a definitive business case for the website. A business case states the problem and identifies alternative solutions. It points to a preferred solution, develops the specifications, and lays out the risks and mitigation steps associated with adoption. A major step in creating this business case will involve seeking information from stakeholders with an interest in this system.

USDA Baseline Projections

WAOB is coordinating the preparation of *USDA Agricultural Baseline Projections to 2012*, planned for release in February 2003. It will offer a future scenario for supply and demand for major U.S. commodities, farm income, and exports based on the 2002 Farm Bill and other key assumptions. The 2002 baseline projections report, WAOB-2002-1, can be downloaded at <http://www.ers.usda.gov/briefing/baseline>, or ordered from ERS-NASS by calling 1-800-999-6779.

China Crop Estimates

At the request of China's National Bureau of Statistics, WAOB led a U.S. delegation to Beijing to assess China's agricultural statistics program. Special emphasis was placed on China's reporting obligations in view of WTO membership. In four days of frank discussions with Chinese counterparts, USDA delegates made recommendations, which, if adopted, will improve Chinese agricultural statistics. As a result of this and previous meetings, there is clear evidence that China is liberalizing statistical reporting practices.

Strengthening U.S. Weather Observation Network

WAOB was successful in convincing the National Weather Service (NWS) to maintain the number of cooperative observer stations in the U.S. (COOP) network, especially in agricultural areas. USDA is supporting network modernization with a budget initiative to pass back \$1 million to NWS to be used specifically for agricultural instrumentation at 1,000 of the network's 11,000 sites. NWS will consult with USDA regarding site placement.

Water Availability in the Rio Grande Basin

WAOB contributed to an "Assessment of Drought and Water Availability for Crop Production In the Rio Grande Basin". This report was provided to the Committees on Appropriations of the House and Senate in response to Conference Report 107-275 which mandated the Secretary of Agriculture to assess the impact of a persistent water deficit in the region and to summarize the Department's authorities and plans to provide relief to U.S. producers. Conferees raised concerns about Mexico's failure to meet its water obligations under a 1944 Water Treaty.

USDA agricultural meteorologists have arranged with the Mexican National Meteorological Service to gain access to agricultural weather information from Mexico. USDA's Chief Meteorologist is helping MNMS develop a report comparable to the *Weekly Weather and Crop Bulletin*.

2002 USDA Outlook Forum

USDA's annual outlook forum attracted record attendance record of 1,400. In addition to standard topics, timely sessions covering biotechnology, bio-security, animal diseases, and food safety were presented. Opening sessions were broadcast over the Web and by CSPAN TV. The next Forum will be February 20 and 21, 2003. For program details go to: www.usda.gov/oce.

Homeland Security

WAOB is working to secure its ability to produce the *World Agricultural Supply and Demand Estimates* report and perform other essential functions following a catastrophic event. WAOB and NASS, which share the same space at USDA headquarters where the lockup reports are prepared and released, are developing a joint plan for continuity of operations at a remote location.

The security of WAOB and NASS offices involved in the lockup will be enhanced when WAOB and NASS move to a newly renovated wing of the USDA South Building. The area will incorporate added security features including controlled and monitored access into and within the wing, encrypted telecommunications, and detection of wireless devices in the lockup area.

WAOB Data and Products

Weekly Weather and Crop Bulletin

The Joint Agricultural Weather Facility **B** operated by WAOB and the National Weather Service **B** issues the *Weekly Weather and Crop Bulletin*. The report provides extensive detail on U.S. and international crop weather impacts. The *Bulletin* is available on the WAOB home page and an archive of issues dating to 1985 is posted at the Mann Library of Cornell University, <http://usda/mannlib.cornell.edu>.

Crop Handbook Available on the Internet

Major World Crop Areas and Climatic Profiles is a popular reference for tracking crop production around the world. Maps, climate, and production data are shown for selected crops and countries. Go to <http://www.usda.gov/oce/waob/jawf/profiles/mwccap.htm>.

WASDE Report

The *World Agricultural Supply and Demand Estimates* report will be released at 8:30 a.m. Eastern Time on the following dates in 2003: Jan. 10, Feb. 11, Mar. 11, Apr. 10, May 12, June 11, July 11, Aug. 12, Sep. 11, Oct. 10, Nov. 12, Dec. 11. The WASDE report is posted on the WAOB home page: www.usda.gov/oce/waob/wasde/wasde.htm. and on the USDA Economics and Statistics System: <http://usda.mannlib.cornell.edu>. You can download this report in either Adobe Acrobat format or in plain text format. There is no charge to use these sites.

Combined Monthly Calendar

Access <http://www.usda.gov/news/releases/rptcal/calindex.htm> for a combined monthly calendar of reports from NASS, ERS, FAS, and WAOB. To go to a report, just click on its title.

Reports by E-mail or FAX

Prefer getting reports by e-mail? You can request free e-mail subscriptions to any report issued by WAOB, ERS, or NASS. The reports are automatically sent to you shortly after release. Just go to: <http://www.usda.mannlib.cornell.edu>, click on [E-mail reports](#) and select desired titles.

You can also retrieve the WASDE report by fax from the ERS Autofax system. Call (202) 694-5700 from your fax machine handset and follow voice prompts to retrieve document 66900.

Historical Data Disk

An archive of historical monthly supply and demand estimates back to 1973, **WASDE Crop, Livestock, and Dairy Estimates**, is now available in spreadsheet form on disk from ERS-NASS (1-800-999-6779). This database also can be downloaded from <http://usda.mannlib.cornell.edu>.